



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA

Chief Executive Officer

March 4, 2013

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To: Supervisor Mark Ridley-Thomas, Chairman
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From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Executive Summary

This memorandum provides an update on the following:

- **Pursuit of County Position to Co-Sponsor SB 191 (Padilla).** This measure would eliminate the January 1, 2014 sunset date which authorizes counties to augment the Emergency Medical Services Fund by collecting an additional penalty assessment for specified crimes to fund pediatric trauma centers. Therefore, unless otherwise instructed by the Board, consistent with existing policy to support proposals to provide permanent, stable funding for the County's public and private emergency and trauma care system, **the Sacramento advocates will co-sponsor SB 191.**
- **Pursuit of County Position to Support SB 20 (Hernandez).** This measure would direct funds to the Steven M. Thompson Physician Corps Loan Repayment Program to provide student loan repayment assistance to recently licensed physicians who practice in health professional shortage areas in California. Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals to recruit and retain nurses, physicians, and allied health professionals to work for providers who serve primarily poor or medically uninsured patients who rely on the medical safety net system for health care in medically underserved areas, **the Sacramento advocates will support SB 20.**

"To Enrich Lives Through Effective And Caring Service"

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Pursuit of Position on County-Sponsored Legislation

SB 191 (Padilla), which as introduced on February 7, 2013, would eliminate the January 1, 2014 sunset date which authorizes counties to augment the Emergency Medical Services (EMS) Fund by collecting an additional penalty assessment for specified crimes to fund pediatric trauma centers.

County-supported SB 1773 (Chapter 841, Statutes of 2006) allows county boards of supervisors, by resolution, to levy an additional \$2 penalty assessment on every \$10 penalty for all criminal offenses and moving violations, including speeding, seat belt infractions, domestic violence and driving under the influence, but only if the increased penalties did not offset or reduce the funding of other programs. The measure also created a new pediatric trauma component of the EMS Fund which requires 15 percent of the new EMS funds to be used for development and expansion of pediatric trauma centers. The majority of funds are allocated to physicians for emergency services in private hospitals, to hospitals providing disproportionate trauma and emergency services, and for other emergency medical services. Up to 10 percent of the funds may be used for administration. The funds generated from SB 1773 are known as Richie's Funds.

On March 6, 2007, the Board adopted a resolution to implement SB 1773 in Los Angeles County, effective until January 2009, the original sunset date of SB 1773. **County-supported SB 1236** (Chapter 60, Statutes of 2008) extended the sunset date to January 1, 2014. As introduced, SB 191 would repeal this sunset date.

The Department of Health Services (DHS) reports that since its inception in 2007, \$11.6 million in Richie's Funds have been allocated to implement and to expand pediatric trauma and emergency services at both County and non-County facilities. The availability of these funds has resulted in the designation of the Northridge Medical Center as a Pediatric Trauma Center (PTC) bringing the total number of PTCs operating in Los Angeles County to seven. DHS notes that previous to this designation, San Fernando area patients had to be transported via helicopter to either Children's Hospital Los Angeles or to Ronald Reagan University of California Medical Center in order to receive timely and appropriate trauma care. Richie's Funds are also used to reimburse physicians and surgeons who provide emergency care for indigent patients. In addition, DHS indicates that these funds provide approximately \$6.0 million annually or 30 percent of the funding for the County's Physician Services for Indigents Program.

The Department of Health Services notes that the County will retain its obligation to provide emergency care for thousands of persons in the County who will remain without insurance coverage even after the implementation of Health Care Reform. Retaining

the availability of Richie's Funds is critical to maintaining the County's fragile trauma and emergency care system. The loss of these funds would be catastrophic. SB 191 would eliminate the January 1, 2014 sunset date and would allow the County to permanently designate Richie's Funds for pediatric emergency and trauma care services in Los Angeles County.

Senator Padilla, the author of SB 191, and the California Chapter, American College of Emergency Physicians have asked the County to co-sponsor this measure. This office and the Department of Health Services recommend that the County co-sponsor this measure which would provide continued financial support for the County's Pediatric Trauma Centers, the Physician Services for Indigents Program, and other EMS Agency functions. Therefore, unless otherwise instructed by the Board, consistent with existing policy to support proposals to provide permanent, stable funding for the County's public and private emergency and trauma care system, and prior County support for SB 1773 and SB 1236, **the Sacramento advocates will co-sponsor SB 191, which would eliminate the January 1, 2014 sunset date for Richie's Funds.**

Currently, there is no registered support or opposition on file for SB 191. This measure is awaiting a referral to a policy committee.

Pursuit of County Position on Legislation

SB 20 (Hernandez), which as amended February 14, 2013, would require funds deposited into the Managed Care Administrative Fines and Penalties Fund in excess of \$1.0 million, plus interest, to be transferred each year to the Medically Underserved Account for Physicians within the Health Professions Education Fund and used for the Steven M. Thompson Physician Corps Loan Repayment Program. This program offers up to \$105,000 in student loan repayment assistance to recently licensed physicians who practice in health professional shortage areas in California. Recipients must agree to a three-year service term.

According to the Department of Health Services, SB 20 would provide additional funding for health education and increase the number of physicians who work in underserved communities. DHS also notes that Los Angeles County is the second largest provider of health care in the nation and serves over 800,000 patients annually, of which 37 percent live at or below 200 percent of the Federal Poverty Level. Access to well-trained physicians is critical to meeting the health needs of the County's underserved residents as we move toward implementation of Health Care Reform in January 2014.

This office and the Department of Health Services support SB 20. Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals to recruit and retain nurses, physicians, and allied health professionals to work for

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providers who serve primarily poor or medically uninsured patients who rely on the medical safety net system for health care in medically underserved areas, **the Sacramento advocates will support SB 20.**

Currently there is no registered support or opposition on file for SB 20. This measure is awaiting a hearing in the Senate Health Committee.

We will continue to keep you advised.

WTF:RA
MR:VE:ma

c: All Department Heads
Legislative Strategist